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SUBJECT: MEDIA REACTION: SIX-PARTY TALKS, U.S. ARMS
PROCUREMENTS, U.S.-CHINA-TAIWAN RELATIONS

1. Summary: Major Chinese-language Taipei dailies centered their reporting November 9 on the Government Information Office's announcement Tuesday that it would fine TVBS, a local cable TV station, NT\$1 million dollars for its illegal ownership structure that has violated the Satellite Broadcast Law. Coverage also focused on other local scandals and the Presidential Office's announcement appointing former Vice Premier Lin Hsin-i as Taiwan's envoy for the upcoming APEC summit. The pro-independence "Taiwan Daily" is the only newspaper that reported on its front page President Chen's remarks Tuesday reiterating the importance of the U.S. arms procurements and said that Taiwan will regret it in the future if the island does not invest in national defense now. The centrist "China Times" quoted a Hong Kong-based "South China Morning Post" report in its inside pages as saying that a U.S.-China-Taiwan closed-door meeting will resume November 29 - 30 in New York.

2. Several Taipei newspapers editorialized on the death threats against Premier Frank Hsieh. The "International Lookout" column of the "China Times" discussed the fifth round of the Six-Party talks, which will kick off November 19. The article said this round of talks will hardly achieve anything as Washington and Pyongyang continue to hold opposite views toward North Korea's nuclear program. An editorial in the limited-circulation, pro-independence, English-language "Taiwan News" echoed President Chen's remarks on the importance of the U.S. arms procurements, saying Taiwan must fix its defense gaps to avoid future war in the Taiwan Strait. Nat Bellocchi, former AIT Chairman and now a special adviser to the "Liberty Times" group, said in an opinion piece in the limited-circulation, pro-independence, English-language "Taipei Times" that "for Taiwan, danger lingers over the changes being made by China, and potentially by changes the United States may make in the future." End summary.

A) Six-Party Talks

"Six-Party Talks Continue to Move on Very Slowly"

The "International Lookout" column of the centrist, pro-status quo "China Times" [circulation: 400,000] wrote (11/9):

"The fifth round of the Six-Party talks will kick off today. According to Chinese Vice Foreign Minister Wu Dawei, this round of talks will last for three days only and will be resumed afterwards in December. What's the trick behind this? .

"[T]he real reason is probably because the problems [of the talks] remain unresolved. Pyongyang and Washington continue to hold opposite views: North Korea wants to discuss the issue of the light-water nuclear reactor first before talking about dismantling its nuclear weapons program. Washington, in contrast, prefers to see [North Korea's] nuclear weapons capabilities being dismantled first before both sides sit down and talk about the light-water nuclear reactor. This gambling game leaves no room for compromise or further negotiations and confrontations may happen immediately when the talks begin. That's why all the participating officials find it more acceptable to dissolve the meeting earlier to get ready for the upcoming APEC meeting in Pusan.

"[North Korea Leader] Kim Jong Il has been gaining more confidence recently because two major forces are tilting towards him. China promised to offer him more aid. [Chinese President] Hu Jintao reportedly gave his words when he visited Pyongyang the other day that Beijing will provide financial aid worth of US\$2 billion to Pyongyang by installments. Seoul, on the other hand, plans to set up a special company to provide aid to North Korea in areas including telecommunications, energy and transportation construction. The company, which will be a seemingly joint venture by both the public and private sectors, is in reality financed by the Seoul government, and is allowed to provide aid to Pyongyang without having to be checked by its congress.

"It seems that the "Six Party" will be divided into "two factions." All the participants in the talks hope to see the problems being resolved, but obviously the two sides: China and South Korea on one side and the United States and Japan on the other, are divided in terms of the means and steps that should be adopted [to resolve the confrontations]. Neither side wants to confront each other in the public; thus, they will have to slow down and discuss their disputes step by step. The talks will unlikely fall apart, but they will hardly reach any conclusion, either."

B) U.S. Arms Procurements

"Taiwan Must Fix Defense Gaps to Avoid Future War"

The pro-independence, English-language "Taiwan News" [circulation: 20,000] editorialized (11/9):

"The pan-blue opposition majority in the Legislative Yuan's critical procedural committee boycotted for the 36th time the proposed special law that would authorize the government to purchase three advanced defensive weapons systems from the United States. Moreover, conservative opposition Kuomintang and People First Party legislators in the national defense affairs committee Monday sliced all of the preparatory funds allocated by the MND in its annual 2006 budget for the three procurements. .

"The weekly refusal of the KMT and People First Party legislative delegations for well over a full year to allow the special law to even be normally referred to the Legislature's National Defense Committee has become an international as well as domestic political joke. But the joke is not a laughing matter for Taiwan's 23 million people or a matter of amusement for our servicemen and women whose lives are risked by the inadequate and even obsolete state of our defensive equipment.

"The unfortunate fact is that the rapid rise in the military clout of the People's Republic of China, its refusal to abandon the use of force against Taiwan, its enactment in March of a touted 'anti-secession' law that authorizes Beijing to use non-peaceful means against Taiwan if 'hopes for peaceful unification are exhausted' and the forward deployment of missiles across the Taiwan Strait demonstrate a genuine clear and present danger to our security. .

"Indeed, the key message is that all of us may be safer if these procurements are approved mainly because they can puncture hopes for a quick victory by PRC military forces against Taiwan. While we agree that Taiwan's national security or hopes for lasting peace in the Taiwan Strait cannot rely only or even mainly on military means, we believe that these procurements will act to reduce both the political and substantive impact of saber or missile rattling by Beijing and the chances of a shooting conflict in the Taiwan Strait.

"The bottom line for Taiwan's 23 million citizens should communicate to opposition parties is that we will be safer with these new systems than we will without them."

C) U.S.-China-Taiwan Relations

"US Policy Stuck as China's Changes"

Nat Bellocchi, former AIT Chairman and now a special adviser to the "Liberty Times" group, commented in an opinion piece in the pro-independence, English-language "Taipei Times" [circulation: 30,000] (11/9):

"One scenario many China watchers now see is that Beijing has shifted policy regarding Taiwan, placing a priority on preventing Taiwan's independence in the immediate future, while continuing to insist on eventual unification. .

"China has also shifted its policy regarding the US by establishing better relations with countries that surround China (minus Japan), which will help strengthen Beijing's hand to deal with the US or regional matters on an equal basis. All of these regional nations likely already accept the idea of not supporting Taiwan's independence. The next step for China would be gain their support for unification.

"As for Beijing's relations with the US, China sees it as necessary to play by the rules of globalization in order to carry out its vital economic expansion and soften its relationship with Washington, at least in the short term. It needs to do that to establish its position in the region and gain support for unification. .

"These changes in the policies and actions of China and Taiwan have not influenced the US' policies toward either one - yet. Washington's preoccupation with domestic and other external issues has absorbed the attention of top decision makers. That does not mean that other issues are

being ignored by the bureaucracy. More likely, decisions are being postponed by senior officials who are preoccupied with the crisis of the day, or awaiting policy personnel that have not yet been chosen. .

"But for Taiwan, danger lingers over the changes being made by China, and potentially by changes the US may make in the future when decisions cannot be avoided. It remains unclear what pressures will develop in the US-China relationship, how well and in what direction Beijing will manage its changing environment and whose consensus will prevail in Taiwan. An important question though is are opportunities for furthering Taiwan's future being lost in its internal struggles?"

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